Bids from Airlines relating to disinvestment of Air India

1367. SHRI KRISHNA KUMAR BIRLA: Will the Minister of DISINVESTMENT be pleased to state:

(a) the Airlines from whom bids relating to the disinvestment of Air India were received;

(b) the Airlines which subsequently pulled out of their bids stating the reasons therefor; and

(c) the present position regarding disinvestment of Air India?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The following Airlines submitted their Expressions of Interest in response to the advertisement for disinvest- ment in Air India and obtained Bid Packs-

(i) Air France—Delta Airlines

(ii) Swiss Air Group

(iii) Emirates

(iv) Singapore Airlines (alongwith Tata)

(b) The Air France-Delta Airlines, Swiss Air Group and Emirates withdrew before due diligence and data room study, without assigning any reason. Singapore Airlines Limited (SIA) pulled out of the bidding process after due diligence stating the following reasons—

(i) Intensity of opposition to the privatization of Air India from various quarter including certain sections of political groups, trade unions and the media;

(ii) Slowdown of the world economy effecting the international airline business; and

(iii) SIA's investments in Australasia demanding more attention and requiring commitment of substantial financial resources.

(c) After the withdrawal of SIA, t remaining consortium partner,- M/s. Tata Sons Limited have intimated that in the light of SIA's decision to withdraw from the Tata-SIA consortium, they are assessing the new situation following which they will revert to the Government in the matter. So far, Government has not received any response from Tata Sons Limited.